

VIRGINIA:

## BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-95-0321-0493

ELECTIONS, UNIT: T-17

(herein "Subject Drilling Unit")

REPORT OF BOARDFINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on March 21, 1995, Dickenson Conference Room, Southwest Virginia Education 4-H Center, Abingdon, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.C of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for subject Docket on June 22, 1995 and recorded at Deed Book 437, Page 559 in the office of the Clerk of Hurricane District, Buchanan, County, Virginia on July 7, 1995 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a). The Board Order directed Consol, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b). The Designated Operator filed its affidavit of mailing, disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c). The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit, in accordance with § 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d). The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit A.

(e). Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P.O. Box 1199, Bluefield, VA 24605, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

Notary Public

My commission expires 2/31/98

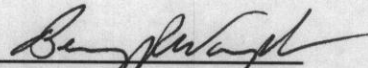
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, Trust Department, c/o Premier Bankshares Corporation, 29 College Drive, P.O. Box 1199, Bluefield, VA 24605, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

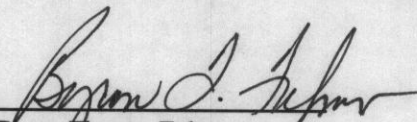
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 2nd day of October, 1997, by a majority of the Virginia Gas and Oil Board.

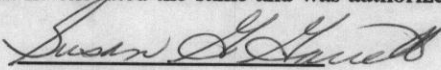
  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 12nd day of October, 1997, by Order of this Board.

  
Bryon Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA )  
COUNTY OF WISE )

Acknowledged on this 22nd day of October, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary Public

My commission expires 7/31/98



STATE OF VIRGINIA  
COUNTY OF WASHINGTON )

Acknowledged on this 32<sup>nd</sup> day of October, 1997, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bryon Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane G. Davis  
Notary Public

My commission expires 9/30/2001

VIRGINIA:

Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Consol, Inc. for Forced Pooling of Interests in Unit Number T-17 VGOB Docket No. 95-0321-0493 in the Prater District of Buchanan County, Virginia

## AFFIDAVIT OF CONSOL, INC. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc., the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized for give this Affidavit in its behalf;

2. That the Order entered on June 22, 1995, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;

3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;

4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on July 7, 1995.

5. That the Designated Operator, Consol, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.

6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia;

SEE ATTACHED SHEET



7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

None

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; (See Exhibit "B-3"), that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.; (See Exhibit "E").

Dated at Bluefield, Virginia, this 18<sup>th</sup> day of JUNE, 1997.

Leslie K. Arrington  
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 18<sup>th</sup> day of JUNE, 1997.

My commission expires: 1-31-2001

Bobby J. Gandy  
Notary

UNIT T-17  
Docket # VGOB-95/03/21-0493  
Exhibit B-3  
List of Unleased Owners/Claimants

Division of Interest in  
1 East Panel  
13.0880%  
Election

**I. OIL & GAS FEE OWNERSHIP**

**Tract No. 4A, 4.35 Acres**

(1) Ira Gordon Ratliff Rt. 2, Box 50 Oakwood, VA 24631	4.35 acres	5.43750%	0.71166%	Deemed Leased
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**Tract No. 4B, 2.16 Acres**

(1) Billy & Geneva Ratliff Rt. 2, Box 5 Oakwood, VA 24631	2.16 acres	2.70000%	0.35338%	Deemed Leased
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**Tract No. 5, 0.23 Acres**

(1) Jessie Childress Heirs	0.23 acres	0.28750%	0.03763%	
(a) Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.014 acres 2/33 of 0.23 acres	0.01742%	0.00228%	Deemed Leased
(b) Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.014 acres 2/33 of 0.23 acres	0.01742%	0.00228%	Deemed Leased
(c) Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.003 acres 2/165 of 0.23 acres	0.00348%	0.00046%	Deemed Leased



UNIT T-17  
Docket # VGOB-95/03/21-0493  
Exhibit E

## List of Co-owning Owners/Claimants that Require Escrow

Division of Interest in  
1 East Panel  
13.0880%

Acres in Unit

Percent of  
Unit

## Tract No. 4A, 4.35 Acres

COAL FEE OWNERSHIP

	Acres in Unit	Percent of Unit	Division of Interest in 1 East Panel
(1) Big Axe Land Company Tr 5 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	4.35 acres	5.43750%	0.71166%

OIL & GAS FEE OWNERSHIP

(1) Ira Gordon Ratliff Rt. 2, Box 50 Oakwood, VA 24631	4.35 acres	5.43750%	0.71166%
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## Tract No. 4B, 2.16 Acres

COAL FEE OWNERSHIP

(1) Big Axe Land Company Tr 5 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	2.16 acres	2.70000%	0.35338%
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OIL & GAS FEE OWNERSHIP

(1) Billy & Geneva Ratliff Rt. 2, Box 5 Oakwood, VA 24631	2.16 acres	2.70000%	0.35338%
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## Tract No. 5, 0.23 Acres

COAL FEE OWNERSHIP

(1) Big Axe Land Company Tr 4 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.23 acres	0.28750%	0.03763%
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OIL & GAS FEE OWNERSHIP

(1) Jessie Childress Heirs, et al	0.23 acres	0.28750%	0.03763%
(a) Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.014 acres 2/33 of 0.23 acres	0.01742%	0.00228%
(b) Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.014 acres 2/33 of 0.23 acres	0.01742%	0.00228%
(c) Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.003 acres 2/165 of 0.23 acres	0.00348%	0.00046%
(d) Buchanan Production Co. P. O. Box 947 Bluefield, VA 24605	0.199 acres 143/165 of 0.23 acres	0.24917%	0.03261%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is together with the certificate of acknowledgment annexed, submitted to record this 25th day of October, 1997.  
 Book No. 469 and Page No. 200  
 returned this date to; Deputy Minus  
 TESTE: James M. Bevin, Jr., Clerk  
 TESTE: Fatima Gmel Deputy Clerk